

CLAUSE I-92 – PAYMENTS UNDER FIXED-PRICE CONSTRUCTION SUBCONTRACTS (August 2002)

- (a) SURA shall pay the Subcontractor the subcontract price as provided in this subcontract.
- (b) SURA shall make progress payments monthly as the work proceeds, or at more frequent intervals as determined by SURA, on estimates approved by SURA. If requested by SURA, the Subcontractor shall furnish a breakdown of the total subcontract price showing the amount included therein for each principal category of the work, in such detail as requested, to provide a basis for determining progress payments. In the preparation of estimates SURA may authorize material delivered on the site and preparatory work done, to be taken into consideration. Material delivered to the Subcontractor at locations other than the site may also be taken into consideration if –
 - (1) Consideration is specifically authorized by this subcontract; and
 - (2) The Subcontractor furnishes satisfactory evidence that it has acquired title to such material and that the material will be used to perform this subcontract.
- (c) If the Business Services Director finds that satisfactory progress was achieved during any period for which a progress payment is to be made, the Business Services Director shall authorize payment to be made in full. However, if satisfactory progress has not been made, the Business Services Director may retain a maximum of 10 percent of the amount of the payment until satisfactory progress is achieved. When the work is substantially complete, the Business Services Director may retain from previously withheld funds and future progress payments that amount the Business Services Director considers adequate for protection of SURA and shall release to the Subcontractor all the remaining withheld funds. Also, on completion and acceptance of each separate building, public work or other division of the subcontract, for which the price is stated separately in the subcontract, payment shall be made for the completed work without retention of a percentage.
- (d) All material and work covered by progress payments made shall, at the time of payment, become the sole property of the Government, but this shall not be construed as –
 - (1) Relieving the Subcontractor from the sole responsibility for all material and work upon which payments have been made or the restoration of any damaged work; or
 - (2) Waiving the right of SURA to require the fulfillment of all of the terms of the subcontract.
- (e) In making these progress payments, SURA shall, upon request, reimburse the Subcontractor for the amount of premiums paid for performance and payment bonds (including coinsurance and reinsurance agreements, when applicable) after the Subcontractor has furnished evidence of full payment to the surety. The retainage provisions in paragraph (c) above shall not apply to that portion of progress payments attributable to bond premiums.
- (f) SURA shall pay the amount due the Subcontractor under this subcontract after –
 - (1) Completion and acceptance of all work;
 - (2) Presentation of a properly executed voucher; and
 - (3) Presentation of release of all claims against SURA arising by virtue of this subcontract, other than claims, in stated amounts that the Subcontractor has specifically excepted from the operation of the release. A release may also be required of the assignee if the Subcontractor's claim to amounts payable under this subcontract has been assigned under the Assignment of Claims Act of 1940 (31 U.S.C. 3727) and 41 U.S.C. 15).